

**Baton Rouge Crime Stoppers, Inc.****Baton Rouge, Louisiana****December 31, 2010**

Under provisions of state law, this report is a public document. A copy of the report has been submitted to the entity and other appropriate public officials. The report is available for public inspection at the Baton Rouge office of the Legislative Auditor and, where appropriate, at the office of the parish clerk of court.

Release Date 9/14/11

**L.A. CHAMPAGNE**   
Certified Public Accountants

4911 BENNINGTON AVENUE, BATON ROUGE, LOUISIANA 70808-3153  
(225) 925-1120 ~ FAX: (225) 927-8124 ~ EMAIL: lac@laccpa.com

Michael A. Tham, CPA  
Robert L. Stamey, CPA  
Susan S. Tham, CPA  
Kimberly G. Sanders, CPA, MBA  
Dominic Michelli, CPA

**L.A. CHAMPAGNE & Co.**  
**LLP**  
Certified Public Accountants

*Member of the Private  
Companies Practice  
Section of the American  
Institute of CPAs*

## **Accountant's Review Report**

To the Board of Directors  
Baton Rouge Crime Stoppers, Inc.  
Baton Rouge, Louisiana

We have reviewed the accompanying statement of financial position of Baton Rouge Crime Stoppers, Inc., as of December 31, 2010, and the related statements of activities, cash flows and functional expenses for the year then ended. A review includes primarily applying analytical procedures to management's financial data and making inquiries of Baton Rouge Crime Stoppers management. A review is substantially less in scope than an audit, the objective of which is the expression of an opinion regarding the financial statements as a whole. Accordingly, we do not express such an opinion.

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America and for designing, implementing, and maintaining internal control relevant to the preparation and fair presentation of the financial statements.

Our responsibility is to conduct the review in accordance with Statements on Standards for Accounting and Review Services issued by the American Institute of Certified Public Accountants. Those standards require us to perform procedures to obtain limited assurance that there are no material modifications that should be made to the financial statements. We believe that the results of our procedures provide a reasonable basis for our report.

Based on our review, we are not aware of any material modifications that should be made to the accompanying financial statements in order for them to be in conformity with accounting principles generally accepted in the United States of America.

In accordance with the Louisiana Governmental Audit Guide and the provisions of state law, we have issued a report, dated April 27, 2011, on the results of our agreed-upon procedures.



April 27, 2011

**BATON ROUGE CRIME STOPPERS, INC.**  
**STATEMENT OF FINANCIAL POSITION**

DECEMBER 31, 2010  
(See Accountant's Review Report)

	<u>2010</u>
<b>ASSETS</b>	
<b>CURRENT ASSETS</b>	
Cash	\$ 249,310
Fines receivable	19,327
Prepaid expense	<u>1,200</u>
Total assets	<u>\$ 269,837</u>
<b>LIABILITIES AND NET ASSETS</b>	
<b>LIABILITIES</b>	
Accounts payable	\$ <u>6,199</u>
Total liabilities	<u>6,199</u>
<b>NET ASSETS</b>	
Unrestricted	95,897
Temporarily restricted	<u>167,741</u>
Total net assets	<u>263,638</u>
Total liabilities and net assets	<u>\$ 269,837</u>

*See accompanying notes*

# **BATON ROUGE CRIME STOPPERS, INC.**

## **STATEMENT OF ACTIVITIES**

For the Year Ended December 31, 2010

(See Accountant's Review Report)

	2010			
	Unrestricted	Temporary Restricted	Permanently Restricted	Total
<b>SUPPORT AND REVENUE</b>				
Donations and grants	\$ 83,837	\$ -	\$ -	\$ 83,837
Cooperative endeavor programs	14,000	-	-	14,000
Court fines	-	172,032	-	172,032
Interest income	88	87	-	175
Net assets released from restriction	136,934	(136,934)	-	-
	<u>234,859</u>	<u>35,185</u>	<u>-</u>	<u>270,044</u>
<b>EXPENSES</b>				
Functional:				
Program services	201,015	-	-	201,015
Management and general	14,904	-	-	14,904
Fundraising	8,096	-	-	8,096
	<u>224,015</u>	<u>-</u>	<u>-</u>	<u>224,015</u>
Change in net assets	10,844	35,185	-	46,029
Fund equity - beginning of year	85,053	132,556	-	217,609
Fund equity - end of year	<u>\$ 95,897</u>	<u>\$ 167,741</u>	<u>\$ -</u>	<u>\$ 263,638</u>

See accompanying notes

**BATON ROUGE CRIME STOPPERS, INC.**  
**STATEMENT OF CASH FLOWS**

Year Ended December 31, 2010  
(See Accountant's Review Report)

	<u>2010</u>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>	
Change in net assets	\$ 46,029
Adjustments to reconcile change in net assets to net cash provided by operating activities:	
Decrease in accounts payable	(960)
Decrease in accounts receivable	<u>5,605</u>
Total adjustments	<u>4,645</u>
Net cash used in operating activities	<u>50,674</u>
 <b>CASH FLOWS FROM INVESTING ACTIVITIES</b>	 <u>-</u>
 <b>CASH FLOWS FROM FINANCING ACTIVITIES</b>	 <u>-</u>
 <b>NET DECREASE IN CASH</b>	 50,674
Cash - beginning of year	<u>198,636</u>
Cash - end of year	<u><u>\$ 249,310</u></u>

*See accompanying notes*

**BATON ROUGE CRIME STOPPERS, INC.**  
**STATEMENT OF FUNCTIONAL EXPENSES**

Year Ended December 31, 2010

(See Accountant's Review Report)

	2010			
	Program Services	Management and General	Fundraising	Total
Executive director	\$ 55,996	\$ 7,000	\$ 7,000	\$ 69,996
Cash rewards	69,200	-	-	69,200
Crime prevention initiatives	51,154	-	-	51,154
Other advertising and public relations	5,230	-	-	5,230
Dues	1,675	-	-	1,675
Telephone and web site	6,240	145	-	6,385
Travel	4,773	-	-	4,773
Printing and supplies	-	319	-	319
Accounting	-	3,441	-	3,441
Meeting expense	235	1,096	1,096	2,427
Legal fees	3,699	-	-	3,699
Insurance	1,613	-	-	1,613
Computer	1,200	-	-	1,200
Other	-	2,903	-	2,903
Total expenses	<u>\$ 201,015</u>	<u>\$ 14,904</u>	<u>\$ 8,096</u>	<u>\$ 224,015</u>

See accompanying notes

**BATON ROUGE CRIME STOPPERS, INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
*December 31, 2010*

**A: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

*Nature of activities*

Baton Rouge Crime Stoppers, Inc. was incorporated in Louisiana on May 12, 1983. Crime Stoppers is a community-involvement program to help stop crime. Crime Stoppers gathers clues to assist law enforcement agencies in solving major crime by offering cash rewards and providing a phone number to call with information relating to crimes or criminal activity. Crime Stoppers encourages citizens to provide tips and clues that can be vital in the successful solution of crime.

*Basis of presentation*

Financial statement presentation follows the recommendations of the Financial Accounting Standards Board, Accounting Standards Codification (FASB ASC) 958-205, *Financial Statements of Not-for-Profit Organizations*. Under FASB ASC 958-205, the organization is required to report information regarding its financial position and activities according to three classes of net assets: unrestricted, temporarily restricted, and permanently restricted. Unrestricted net assets are comprised of resources that are free of donor-imposed or time restrictions and are available at the direction of the governing board. Temporarily restricted net assets are resources that are limited by donor-imposed stipulations that either expire by passage of time or that can be fulfilled and removed by actions of the organization pursuant to those stipulations. Permanently restricted net assets are those resources whose use by the organization is limited to donor-imposed stipulations that neither expire by passage of time nor can be fulfilled or otherwise removed by actions of the organization. Crime Stoppers presently has no permanently restricted funds.

*Contributions and expenses*

Contributions, grants and line revenue received and unconditional promises to give are measured at their fair values and are reported as an increase in net assets.

Grants and contributions of cash and other assets are reported as temporarily restricted support if they are received with donor stipulations that limit the use of the donated assets or if they are designated as support for future periods. When donor restrictions expire, that is, when the stipulated time restriction ends or if the purpose of the restriction is accomplished, temporarily restricted net assets are reclassified to unrestricted net assets and reported in the statement of activities as net assets released from restrictions. Donor restricted contribution whose restrictions are met in the same reporting period are reported as unrestricted support.

Expenses, including advertising, are recorded when incurred in accordance with the accrual basis of accounting.

**A: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

*Use of estimates*

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that may affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

*Donated services*

Donated services are recognized as contributions in accordance with FASB ASC 958-605, *Accounting for Contributions Received and Contributions Made*, if the services (a) create or enhance non-financial assets or (b) require specialized skills, are performed by people with those skills, and would otherwise be purchased by Crime Stoppers. Such services are usually acquired from providers on a fee basis. Many other individuals volunteer their time and perform a variety of tasks that assist Crime Stoppers in the performance of its projects and various committee activities; however, these services are not recognized as contributions in the financial statements since the recognition criteria under FASB ASC 958-605 were not met.

*Cash*

For the purpose of the statement of cash flows, the organization considers all unrestricted cash and short-term savings to be cash.

*Functional expenses*

Certain expenses are charged directly to functional classifications. Other expenses are allocated between program, fundraising, and management and general based upon estimates of staff time spent on each function or other appropriate allocation bases.

*Income tax status*

Baton Rouge Crime Stoppers, Inc., is a not-for-profit organization, which has qualified as such under Section 501 (c)(3) of the Internal Revenue Code and is not subject to federal or state income taxes.

Baton Rouge Crime Stoppers, Inc. applies the standards in FASB ASC 740-10 in accounting for uncertainty in income taxes. Baton Rouge Crime Stoppers, Inc. files a United States return of organization exempt from income tax. Baton Rouge Crime Stoppers, Inc.'s returns for 2007, 2008, 2009, and 2010 are subject to examination by the Internal Revenue Service.

**B: ACT 50 FUND**

The Louisiana legislature approved a bill June 25, 2002, that set a two dollar fee to be levied by the courts on offenders convicted of criminal and traffic violations, and these funds are payable to the certified crime stopper organization of that area. The crime



**B: ACT 50 FUND (continued)**

stopper organization must deposit these funds into a separate bank account to be used solely for expenditures directly related to obtaining information on criminal activities.

**C: RELATED PARTY TRANSACTIONS**

The immediate past president and continuing director of the organization is also the owner of the company that provides communication and media services to the organization. The charges for such services amounted to \$41,107, in 2010.

**D: SUBSEQUENT EVENTS**

Subsequent events were evaluated through April 27, 2011, which is the date the financial statements were available to be issued.

## Independent Accountant's Report on Applying Agreed upon Procedures

To the Board of Directors of Baton Rouge Crime Stoppers, Inc.

We have performed the procedures included in the Louisiana Governmental Audit Guide and enumerated below, which were agreed to by the management of Baton Rouge Crime Stoppers, Inc. and the Legislative Auditor, State of Louisiana to assist the users in evaluating management's assertions about Baton Rouge Crime Stoppers' compliance with certain laws and regulations during the period from January 1, 2010 through December 31, 2010 included in the accompanying Louisiana Attestation Questionnaire. Management of Baton Rouge Crime Stoppers' is responsible for its financial records and compliance with applicable laws and regulations. This agreed-upon procedures engagement was performed in accordance with standards established by the American Institute of Certified Public Accountants and applicable standards of *Government Auditing Standards*. The sufficiency of these procedures is solely the responsibility of the specified users of the report. Consequently, we make no representation regarding the sufficiency of the procedures described below either for the purpose for which this report has been requested or for any other purpose.

### Federal, State, and Local Awards

1. We determined the amount of federal, state and local award expenditures for the year ended December 31, 2010. Total expenditures are scheduled below by grant and grant year.

The following programs were funded through local grants and appropriations. There were no state or federally funded programs.

Local Grant Name	Grant Year	CFDA No (if applicable)	Amount
East Baton Rouge Parish School Board Campus Crime Stoppers	2010	N/A	\$ 11,091
Total Expenditures			\$11,091

2. We selected all disbursements from the awards administered during the year and traced each disbursement to applicable supporting documentation and to their recording in the books and records and determined that:

a. all payments were made to the designated payee in the proper amount,

- b. all payments were coded to the correct program and general ledger account,
  - c. all disbursements were approved by the executive director, and
  - d. all disbursements were for allowed activities.
- 3. Baton Rouge Crime Stoppers, Inc. neither received nor expended any federal funds in 2010. Therefore, procedures related to federal awards are not applicable.
  - 4. Baton Rouge Crime Stoppers, Inc. neither received nor expended any state funds in 2010. Therefore, procedures related to activities allowed or unallowed, eligibility or reporting with respect to state awards are not applicable.
  - 5. With respect to local grants and awards referred to in item 1, there were no eligibility or specific reporting requirements associated with the grants or programs. Compliance with requirements related to activities allowed or unallowed is addressed in item 2.d. above.
  - 6. Programs that were completed during the year did not require any particular close-out reports.
  - 7. There were no specific budgetary reporting requirements for any of the programs listed in item 1.

*Open Meetings*

- 8. We examined evidence indicating that agendas for meetings recorded in the minutes were posted as an open meeting required by LA R.S. 42:4.1 through 42:13.

We were not engaged to perform, and did not perform, an audit, the objective of which would be the expression of an opinion on management's assertions. Accordingly, we do not express such an opinion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

This report is intended solely for the use of management of Baton Rouge Crime Stoppers, Inc. and the Legislative Auditor (State of Louisiana) and should not be used by those who have not agreed to the procedures and taken responsibility for the sufficiency of the procedures for their purposes. Under Louisiana Revised Statute 24:513, this report is distributed by the Legislative Auditor as a public document.

  
April 27, 2011

**LOUISIANA ATTESTATION QUESTIONNAIRE**  
**(For Attestation Engagements of Quasi-public Agencies)**

April 27, 2011 (Date Transmitted)

L.A. Champagne & Co., L.L.P.  
Certified Public Accountants  
4911 Bennington Avenue  
Baton Rouge, LA 70808 (Auditors)

In connection with your review of our financial statements as of December 31, 2010 and for the period then ended, and as required by Louisiana Revised Statute 24:513 and the *Louisiana Governmental Audit Guide*, we make the following representations to you. We accept full responsibility for our compliance with the following laws and regulation and the internal controls over compliance with such laws and regulations. We have evaluated our compliance with the following laws and regulations prior to making these representations.

These representations are based on the information available to us as of April 27, 2011.

**Federal, State, and Local Awards**

We have detailed for you the amount of federal, state and local award expenditures for the fiscal year, by grant and grant year.

Yes ☒ No ☐

All transactions relating to federal, state, and local grants have been properly recorded within our accounting records and reported to the appropriate state, federal, and grantor officials.

Yes ☒ No ☐

The reports filed with federal, state, and local agencies are properly supported by books of original entry and supporting documentation.

Yes ☒ No ☐

We have complied with all applicable specific requirements of all federal, state, and local programs we administer, to include matters contained in the OMB Compliance Supplement, matters contained in the grant awards, eligibility requirements, activities allowed and unallowed, and reporting and budget requirements.

Yes ☒ No ☐

### Open Meetings

Our meetings, as they relate to public funds, have been posted as an open meeting as required by R.S. 42:1 through 42:13 (the open meetings law).

Yes [☒] No [☐]

### Budget

For each federal, state, and local grant we have filed with the appropriate grantor agency a comprehensive budget for those grants that included the purpose and duration, and for state grants included specific goals and objectives and measures of performance

Yes [☒] No [☐]

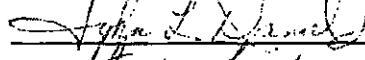

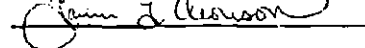
### Prior Year Comments

We have resolved all prior-year recommendations and/or comments.

Yes [☒] No [☐]

We have disclosed to you all known noncompliance of the foregoing laws and regulations, as well as any contradictions to the foregoing representations. We have made available to you documentation relating to the federal, state, and local grants, to include the applicable laws and regulations.

We have provided you with any communications from regulatory agencies or other sources concerning any possible noncompliance with the foregoing laws and regulations, including any communications received between the end of the period under examination and the issuance of this report. We will also disclose to you, the Legislative Auditor, and the applicable state grantor agency/agencies any known noncompliance that may occur up to the date of your report.

	Secretary	5-26-11	Date
	Treasurer	5-24-11	Date
	President	5-26-11	Date